

July 13, 2009

To All Concerned Parties

Japan Single-residence REIT Inc.
9th floor, Kamiyacho Sankei Building,
1-7-2 Azabudai, Minato-ku, Tokyo
Akihiko Soga, Executive Director
(Securities code: 8970)

Japan Single-residence Asset Management Corp.
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1-7-2 Azabudai, Minato-ku, Tokyo
Akihiko Soga, President and CEO
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Notice Concerning New Borrowing

Japan Single-residence REIT Inc. (“Japan Single-residence REIT”) has decided to borrow funds as follows.

(1) Reason for new borrowings

Japan Single-residence REIT is using the new borrowings to refinance the following term loans with a scheduled principal repayment date of July 15.

	Lender	Amount	Date of loan	Scheduled principal repayment date
A	The Chuo Mitsui Trust and Banking Co., Ltd. Aozora Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Banking Corporation, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. Resona Bank, Ltd.	¥10,615,000,000	July 15, 2008	July 15, 2009
B	Aozora Bank, Ltd.	¥6,130,000,000	March 16, 2009	July 15, 2009

(2) Description of borrowing

A.

- 1) Scheduled lenders: The Chuo Mitsui Trust and Banking Co., Ltd., Aozora Bank, Ltd., Mizuho Trust & Banking Co., Sumitomo Mitsui Banking Corporation, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Resona Bank, Ltd.
- 2) Scheduled borrowing amount: ¥10,562,000,000
- 3) Interest rate applicable to borrowing (per annum): 1.82909%
One-month Japanese yen TIBOR plus 1.50%. The interest rate will be applicable from July 15, 2009 to July 31, 2009, inclusive.
- 4) Scheduled drawdown date: July 15, 2009
- 5) Borrowing method: Borrowing to be conducted in accordance with the Term Loan Agreement signed on July 13, 2009 with the above lenders. As collateral for this borrowing, Japan Single-residence REIT plans to use the collateral used for the borrowing in (1-A) above: establishment of a first right of pledge on the trust beneficiary interest in real estate consisting of the 16 properties.
- 6) Principal repayment method: Lump-sum repayment date upon maturity
- 7) Due date of principal repayment: October 30, 2009

This English language notice is a translation of the Japanese language notice dated July 13, 2009 and was prepared solely for the convenience of, and reference by, overseas investors. Japan Single-residence REIT makes no warranties as to its accuracy or completeness.

B.

- 1) Scheduled lenders: Aozora Bank, Ltd.
- 2) Scheduled borrowing amount: ¥6,130,000,000
- 3) Interest rate applicable to borrowing (per annum): 2.32909%
 One-month Japanese yen TIBOR plus 2.00%. The interest rate will be applicable from July 15, 2009 to July 31, 2009, inclusive.
- 4) Scheduled drawdown date: July 15, 2009
- 5) Borrowing method: Borrowing to be conducted in accordance with the Term Loan Agreement signed on July 13, 2009 with the above lender. As collateral for this borrowing, Japan Single-residence REIT plans to use the collateral used for the borrowing in (1-B) above: establishment of a first right of pledge on the trust beneficiary interest in real estate consisting of the 6 properties, and for the borrowing in (1-A) above: establishment of a second right of pledge on the trust beneficiary interest in real estate consisting of the 16 properties.
- 6) Principal repayment method: Lump-sum repayment date upon maturity
- 7) Due date of principal repayment: October 30, 2009

[Reference]

Status of interest-bearing debt before and after the drawdown of the borrowings (as of July 15, 2009)

(Unit: million yen)

	Before drawdown	After drawdown	Change
Short-term borrowings	17,315	17,262	-53
Term loan (long-term borrowings)	13,600	13,600	-
Total borrowings	30,915	30,862	-53
Unitholders' equity	27,317	27,317	-
Loan-to-value ratio ^(Note)	53.1%	53.0%	-0.1%

(Note) Loan-to-value ratio
 = Interest-bearing debt ÷ (Interest-bearing debt + Unitholders' equity) × 100%;
 rounded to the nearest tenth (1 decimal places).